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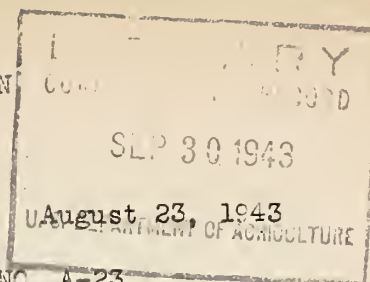
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WAR FOOD ADMINISTRATION  
FOOD DISTRIBUTION ADMINISTRATION  
Washington, D. C.



FINANCE AND ACCOUNTS DIVISION MEMORANDUM NO. A-23

Supplement 1

To: Branch and Division Chiefs  
Chiefs, Regional Fiscal Divisions

From: Edward J. Kelly, Chief, Finance and Accounts Division

Subject: X Encumbering of Funds (Fiscal Year 1944)

This memorandum is for the purpose of establishing a procedure for the handling of field operations under letters of authorization chargeable to trust funds used to finance inspection of farm products. Within its scope this procedure supersedes any other release on the same subject and is to be placed in effect immediately.


The Washington Branches operating under these trust funds will prepare or have already prepared station letters of authorization for their representatives located throughout the United States and these authorizations are now on file or will be placed on file with the recipients thereof and with the various service offices concerned. Either the Washington offices of the Branches or their field representatives, as the case may be, will hereafter prepare a monthly encumbrance document (Form FDA-508) for each letter of authorization, indicating thereon the amount to be encumbered for each of the three objective classifications used in the allotting system now in effect and for which authority is included in the letter.

The encumbrance forms may be prepared in as many copies as the Branch may consider necessary but at least in sufficient number to submit to the Finance and Accounts Division in Washington the original and three copies. After encumbrance, the Finance and Accounts Division will retain the original, will transmit one copy to the Regional Fiscal Division through which vouchers will be paid, and will return two copies to the Branch involved. All copies will be stamped "encumbered." Upon receipt of its two copies the Branch should transmit one copy to the holder of the letter of authorization in order that he may maintain a running balance of the unobligated sum remaining in his authorization. Likewise, the Regional Fiscal Division processing the vouchers should keep an accurate record thereof so as to prevent over-liquidation of encumbrance.

In order to eliminate the necessity of forwarding all procurement requisitions to the Washington office for administrative approval and individual encumbrance before action thereon can be taken by the regional representative of the Administrative Services Division, such requisitions as are permitted by the respective Branches to be processed in the field will be charged to and encumbered against the encumbrance already established for the letter of authorization. When issuing such a requisition or any other device which may be used by the holder of a letter of authorization to initiate a procurement action, he will indicate clearly thereon the number of his letter of authorization, together with the appropriation symbol to be charged. Similarly, the Regional Administrative Services Division in issuing a purchase order or contract or any other procurement document chargeable to the letter of authorization will indicate clearly thereon that the charges are to be made to a letter of authorization and will give the number thereof and the appropriation applicable. Copies of all these documents must, of course, be filed with the proper Regional Fiscal Division in order to permit determination as to availability of funds under the letter of authorization and no procurement document should be released by the Regional Administrative Services Division until such clearance by the Regional Fiscal Division has been obtained. In view of the prior establishment of a master encumbrance on the books of the Washington Finance and Accounts Division, it will not be necessary to forward to that office copies of requisitions, purchase orders or other posting media which would normally be used to establish individual encumbrances, but a list of such documents issued under each Letter of Authorization should be submitted by the Regional Fiscal Division to the Washington Fiscal Division at the time the first voucher applicable to the month's transactions are submitted. Copies of all vouchers involved should be furnished the Washington Fiscal Division as in the past.

This memorandum is for the purpose of establishing a fiscal procedure only with respect to letters of authorization under trust funds used to finance inspection of farm products. Operations of the holders of such letters of authorization are subject to such administrative restrictions as the several Branches may consider it advisable to impose, as for example, maximum amounts for any one procurement item. It is believed that adoption of this procedure will prove very beneficial and should serve to eliminate practically all of the delay now experienced in operating under these particular authorizations.

Approved

  
S. R. Newell





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WAR FOOD ADMINISTRATION  
Food Distribution Administration  
Washington 25, D. C.

September 6, 1943

FINANCE AND ACCOUNTS DIVISION MEMORANDUM NO. A-23

Supplement 2

To: Branch and Division Chiefs and Regional Directors  
From: Edward J. Kelly, Chief, Finance and Accounts Division  
Subject: Encumbering of Funds, (Fiscal Year 1944)

Effective immediately, Finance and Accounts Division Memorandum No. A-23, dated June 23, 1943, is amended as follows:

Page 4 - Delete paragraphs captioned "Communication Services" and "Rents and Utilities - Other Contractual Services" and substitute therefor the following:

Communication Services

Each Branch or Division will encumber funds for communication services as follows:

In instances where contracts are involved, funds shall be encumbered for the period covered in such contract not in excess of the period covered by the allotment of funds from which the expense is to be paid. Expenses incidental to such contracts, such as tolls, telegrams, etc., shall be estimated on the first of each month and such encumbrance thereof requested on the Encumbrance Request, Form FDA-508.

Rents and Utility Services - Other Contractual Services

Funds must be encumbered for the above classification of expense prior to acceptance or renewal of all contracts or agreements. The Encumbrance Request, Form FDA-508, should be submitted in triplicate, and funds should be encumbered for the period covered by such contract or agreement not in excess of the period covered by the allotment of funds from which the expense is to be paid.

*Edward J. Kelly*

